



Department of Justice

July 13, 1992

SUMMARY OF ANTITRUST ENFORCEMENT ACTIONS
FOR PUBLIC RELEASE
FOR MONDAY, JUNE 29, 1992 THROUGH FRIDAY, JULY 10, 1992

7/1/92

Justice Department Will Not Oppose Proposed Merger of Two
Water Heater Manufacturers Upon Completion of Certain
Divestitures

The Department of Justice, Antitrust Division, announced that it will not challenge the proposed merger of SABH Inc. and Mor-Flo Industries Inc., two manufacturers of residential water heaters, in light of certain divestitures of assets and the formation of a new joint venture that will eliminate the anticompetitive effects of the transaction. SABH, headquartered in Philadelphia, Pennsylvania and a subsidiary of Australian Brewing Holdings, an Australian company, manufactures and sells residential water heaters in the United States through its Bradford-White subsidiary, which is also headquartered in Philadelphia. Bradford-White, with annual sales of about \$145 million, is the fifth largest of five significant manufacturers of water heaters in the country. Mor-Flo, headquartered in Cleveland, Ohio, is the third largest, with annual sales of about \$205 million. SABH divested the Bradford-White water heater plant in Middleville, Michigan, to a newly formed and independent Employee Stock Ownership Trust (ESOT) and also divested the Bradford-White brands. Additionally SABH and the ESOT will begin a joint venture for the production of commercial water heaters at a facility to be jointly owned in Middleville.

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7/7/92 U.S. v. Meadow Gold Dairies, Inc.
Criminal No.: 92-00094 (W.D. Va.)

One-count information was filed in U.S. District Court in Roanoke, Virginia, charging Meadow Gold Dairies, Inc., which is wholly owned by Borden, Inc., both of Columbus, Ohio, with rigging bids, in violation of Section 1 of the Sherman Act, for the award and performance of contracts to supply milk and other dairy products to certain school systems in parts of southwestern Virginia and parts of southeastern West Virginia, beginning at least as early as 1984 and continuing at least into 1987.

7/7/92 U.S. v. John J. Johnson
Criminal No.: H92-152 (S.D. Texas)

Three-count indictment was filed in U.S. District Court in Houston, Texas, charging John J. Johnson, vice president and bid manager for Glazier Foods Company of Houston, Texas, with bid rigging (15 U.S.C. § 1), making a false statement (18 U.S.C. § 1001 and 18 U.S.C. § 2(b)), and conspiring to commit mail fraud (18 U.S.C. § 371) involving contracts to supply wholesale grocery products to public school districts located in southeastern Texas.

7/7/92 U.S. v. Van Leer Containers, Inc.
Criminal No.: 91 CR 44 (N.D. Ill.)

One-count information was filed in U.S. District Court in Chicago, Illinois, charging Van Leer Containers, Inc. of Chicago, Illinois, with fixing the prices, in violation of Section 1 of the Sherman Act, of new steel drums offered for sale to customers in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, eastern New York, eastern Pennsylvania, New Jersey, Maryland, Delaware, Virginia and the District of Columbia, beginning sometime prior to January 1, 1987 and continuing at least through March 1990.

7/7/92 U.S. v. Van Leer Containers, Inc.
Criminal No.: 91 CR 44 (N.D. Ill.)

Two-count information was filed in U.S. District Court in Chicago, Illinois, charging Van Leer Containers, Inc. of Chicago, Illinois, with price fixing (15 U.S.C. § 1) and mail fraud (18 U.S.C. § 1341) involving new steel pails offered for sale to customers in the United States, beginning on or about January 1, 1989 and continuing at least through March 1990.

Copies of legal filings are available from the Legal Procedure Unit, Antitrust Division, Room 3233, Telephone No.: 514-2481.